

AMENDED IN SENATE APRIL 10, 2003

AMENDED IN SENATE MARCH 25, 2003

**SENATE BILL**

**No. 72**

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**Introduced by Senator Dunn**

January 21, 2003

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An act to add Section 346.5 to the Public Utilities Code, relating to electric power.

LEGISLATIVE COUNSEL'S DIGEST

SB 72, as amended, Dunn. Independent System Operator.

Existing law requires the establishment and operation of an Independent System Operator to ensure efficient use and reliable operation of the state's electricity transmission grid consistent with certain criteria. Existing law requires the Independent System Operator to participate in all relevant Federal Energy Regulatory Commission (FERC) proceedings.

This bill, except as specified, would require the Independent System Operator, before it submits to FERC any discretionary filing proposing to amend its tariff for the purpose of changing the function, design, or purpose of the wholesale electricity market in this state, including, but not limited to computer systems upgrades, to determine that the proposed change will have a demonstrable economic benefit for ratepayers in this state. The bill would require the Independent System Operator to describe and quantify the benefit of the proposed change in a report made available to the public on its ~~website~~ *Web site* at least 30 days before the date of the filing.

Vote: majority. Appropriation: no. Fiscal committee: no. State-mandated local program: no.

*The people of the State of California do enact as follows:*

SECTION 1. *Section 346.5 is added to the Public Utilities Code to read:*

346.5. (a) Before the Independent System Operator submits to the Federal Energy Regulatory Commission any discretionary filing proposing to amend its tariff for the purpose of changing the function, design, or purpose of the wholesale electricity market in this state, including, but not limited to, computer systems upgrades, the Independent System Operator shall determine that the proposed change will have a demonstrable economic benefit for ratepayers in this state. The Independent System Operator shall describe and quantify the benefit of the proposed change in a report which it shall make available to the public on its ~~website~~ *Web site* at least 30 days before the date of the filing.

(b) This section does not apply to ~~any~~ *either of the following:*

(1) Any filing required by the Federal Energy Regulatory Commission.

(2) Any emergency filing submitted to the Federal Energy Regulatory Commission.

